

Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

At the FCC: Rosenworcel's Bulk Billing Plan Lingers as Opposition Mounts

Hotwire Communications continues to put the heat on the **FCC's** proposal to ban bulk billing. There's a flurry of filings in the docket, but the provider, which has a large multi-tenant sub base, appears to be the first to have met with Chairwoman *Jessica Rosenworcel* on the issue.

In a meeting Friday with the chairwoman, Hotwire President/CEO *Kristin Johnson* stressed the argument that bulk billing can actually lower costs for residents and help close the digital divide. According to an ex parte, she also emphasized Hotwire's "eagerness to collaborate on solutions that would enhance competition and choice in MDUs, particularly in those environments where consumers do not benefit from services delivered through bulk billing agreements."

Rosenworcel circulated a proposal to begin a rulemaking on bulk billing back in March. The initial thought was that it would pass on a 3-2 party line vote. But it's nearly June and still no word of a vote. That could signal her fellow Democrats have concerns. There's been pushback not only from providers, but also from HOAs and nonprofits like the **Council of Large Public Housing Authorities** and **Education Superhighway**. And there's a sprinkling of op-eds from officials such as [Ra-leigh, NC, mayor Mary-Ann Baldwin](#) and [Georgia State Sen. Sonya Halpern](#) who oppose the proposal. Multiple residents of a 55+ community Laguna Woods Village of Orange, CA, have [sent letters](#) expressing concern that banning bulk bill-

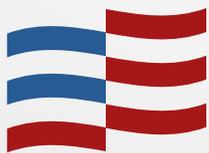
ing could nearly triple the cost of internet. Laguna Woods is an HOA that operates its own broadband network and is a member of NCTC.

The chairwoman hasn't indicated she's backing down, defending the bulk billing item in letters to a group of bipartisan lawmakers. And there are a few supporters in the docket. While the Council of Large Public Housing Authorities, which supports authorities that manage housing and vouchers for nearly 3.3 million households, has told the FCC eliminating bulk billing would negatively impact public housing residents, the **Great Plains Housing Authority** sees it differently.

"Recently, a provider approached landlords to sign bulk billing agreements and 'educate' them on limiting access to a new provider in our region. The provider received millions from USDA-Rural Development to provide broadband expansion and is actively working to limit expansion access by a privately funded group," said Great Plains Housing, which serves low and moderate incomes in rural North Dakota and provides voucher assistance to over 700 clients.

Great Plains Housing Authority said the prices were often higher than if tenants signed up individually for service and by including language about the internet service in the lease, it said the landlord could evict the tenant if the tenant did not want or pay for Internet service.

Public Knowledge told the FCC it has received entirely unsolicited complaints from individuals who claim bulk billing practices prevent them from selecting their choice of ISP and



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require them to pay above market rates. PK's take is that while bulk billing can result in landlords negotiating better rates, it's not generally the case. The public interest group said an appropriate middle ground between banning bulk billing arrangements and the status quo is permitting tenants to opt out of the bulk billing arrangement.

Summit Broadband warns that mandating opt outs would override HOAs' negotiating judgment and force them to artificially prioritize opt outs over other contractual terms, including price and service level guarantees. "These mandatory opt out provisions would cause ISPs to raise prices to recoup potential lost revenues and could push some providers to exit the HOA marketplace altogether, leading to less facilities-based competition. This outcome would be contrary to the Commission's own goals of attracting private investment to build fiber networks and provide affordable broadband service to households," said Summit.

Other providers that have weighed in on the issue include **Blue Stream Fiber** and **UTOPIA Fiber**. Blue Stream said that its 1 gig plan in Florida through bulk billing is \$35/month compared to a state average of \$98.

Nonpartisan think tank **R Street Institute** urged the FCC to consider a notice of inquiry rather than a notice of proposed rulemaking to further develop the record and address comments and concerns of relevant stakeholders. "We are concerned that the scope of a proposed rule could potentially exacerbate challenges to getting Americans online and staying connected," the group said.

FUBO, DIAMOND STRIKE A DEAL

While **Diamond Sports Group** is in the midst of a [carriage blackout](#) with **Comcast**, it's still ironing out deals with others. Diamond and **Fubo** agreed to a multi-year renewal of their distribution agreement. The **Bally Sports** RSNs will remain on Fubo's Pro package, which runs at \$79.99/month for a total of 185 channels. Of course, the financial terms of Fubo and Diamond's agreement weren't revealed, but it's another deal for Diamond after announcing agreements with **Charter**, **DirectTV** and **Cox Communications**. "With the vast majority of our distribution partners in multi-year carriage agreements, Diamond remains focused on completing our reorganization and emerging as a sustainable, profitable business," Diamond CEO *David Preschlack* said. Diamond remains in the process of emerging from Chapter 11 bankruptcy. The company got approval from Southern Texas Bankruptcy Court Judge *Christopher Lopez* for [creditors to vote](#) on its restructuring plan, with today being the deadline. A hearing is set for June 18 to consider final approval.

The WHO and the WHY

CFX's spotlight on recent new hires & promotions



LUIS
Romero
EVP, AD SALES
CANELA MEDIA

3 THINGS TO KNOW

- Luis had quite a memorable first day in his new gig, starting his Canela career on the same day of its 2024 upfront luncheon. It's a fitting beginning as Luis will look to grow the company's offerings and solutions to advertisers and brand partners while also elevating ad sales revenue and working with the cross-functional team. He called the move "not just a professional step, but a personal one" that was fueled by a passion for connecting with Hispanic audiences.
- Luis joins Canela Media after leading the Sales and Marketing teams for *The Guardian U.S.*, the British newspaper's North American arm. Before *The Guardian* he was a Senior Director of Brand Partnerships, Multicultural Sales & Marketing for Group Nine Media, but a large chunk of his career came with a 13-year stay at NBCUniversal. He was brought on board to professionalize and scale digital ad revenue but did much more than that—he helped grow annual digital sales revenue 10X, which earned him the task of advancing NBCU's linear sales. He led a team of 30 direct and indirect reports that drove more than \$250 million in annual revenue.
- Other stops along Luis' way include six years at Univision and seven years at Katz Media Group. He earned a Bachelor's degree from St. John's University in Communication and Media Studies.

TNT SPORTS TO AIR CFP GAMES

TNT Sports will air select **College Football Playoff** games after it reached a five-year sublicensing agreement with **ESPN**. TNT Sports will carry two first-round CFP games in each of the next five seasons. It'll also have two quarterfinal games each year starting in 2026. TNT will be the primary network for those games in addition to other TNT Sports distribution platforms. Additional programming details will be announced at a later date. This season will be the first since the CFP expanded from four teams to 12.

BLOCK COMM CEO FIRED

Allan Block, CEO of **Block Communications**, has been fired. The news comes two weeks after he [filed a lawsuit](#) against the company as well as other Block family members in hopes of receiving a preliminary injunction that would block those family members from selling **Buckeye Broadband**, the *Toledo*

Blade and other businesses under the Block Communications umbrella. The suit also claims that *John Block*, Allan Block's brother, has formed a strategic committee to sell the businesses and will not allow Allan or his representatives to have a voice at the table. In a statement [provided to Toledo's WTOL](#), Block's spokesperson said he was fired for trying to enforce his contractual rights to protect the company and employees from a sale of Block Communications. "Mr. Block believes the Board's decision is in clear breach of his employment agreement and will be evaluating next steps to remedy this action in court," the statement continued.

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SECTION 230 DEBATE ON THE HILL

"It is up to Congress, not the courts, to reform Section 230, and changes to this law are long overdue," Rep. *Bob Latta* (R-OH) said in his opening statement for a **House Communications Subcommittee** hearing Wednesday focused on the 26 words that many say created the internet. Last Congress, **House Commerce** leaders *Cathy McMorris Rodgers* (R-WA) and *Frank Pallone* (D-NJ) introduced their own legislation focused on the future of Section 230, but neither passed. Now the two have come together to take another stab at the issue, releasing bipartisan draft legislation nearly two weeks ago that would sunset Section 230. The bill would see Congress and stakeholders work together over the next 18 months to enact a new legal framework that incorporates values like accountability, innovation, free speech and requires companies to be good stewards. "Let me be clear, our goal is not for Section 230 to disappear," McMorris Rodgers said. "But the reality is that nearly 25 bills to amend Section 230 have been introduced over the last two congresses. Many of these were good faith attempts to reform the law and Big Tech lobbied to kill them every time. These companies left us with no other option." **C.A. Goldberg** Attorney *Carrie Goldberg* and **Organization for Social Media Safety** CEO *Marc Berkman* stand behind a complete revamp of the regulatory framework surrounding digital platforms, saying it is the only path forward that can address the severe harms caused by Big Tech and other internet platforms. But *Kate Tummarello*, Executive Director of startup advocacy group **Engine**, said should Section 230 go away, it won't be Big Tech that will feel the biggest impacts. Instead, it will be startups and internet infrastructure companies that will be left most vulnerable. With only 18 months to scale up and prepare for any side effects of a Section 230 sunset, many platforms may be forced to host less content instead in acts of self-protection. And then there's the looming question—can Congress agree on a new framework by Dec. 31, 2025?

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NEWSNATION GOING 24/7 SOON

Nexstar leadership hasn't been afraid to share its excitement about **NewsNation** moving to a 24-hour programming schedule, and it's set a date for when that change will happen. Starting June 1, the network will roll out the final portion of its live news lineup. "NewsNation Now" with *Adrienne Bankert*

will air on Saturdays and Sundays from 4-7pm. Recently, NewsNation launched the weekend editions of "Morning in America," "NewsNation Live," "NewsNation Now" and "The Hill Sunday." The network also hired a trio of journalists to help in its 24/7 expansion. *Anna Koiman* will be the anchor of the weekend edition of NewsNation Now. *Laura Ingle*, who was at **Fox News** from 2005-23, is the network's new Senior Correspondent and will cover breaking news, general assignment stories and contribute to enterprise reporting on true crime cases. *Alicia Nieves* will step in as NewsNation's New York-based correspondent. Nieves was previously with **Fintech TV** and has also made stops at **Cheddar News** as a business news anchor and **Scripps** as a national news correspondent.

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OPENSIGNAL SIZES UP ISPS

As broadband expansion continues in the U.S., **OpenSignal** measured how five of the top ISPs—**AT&T**, **Charter/Spectrum**, **T-Mobile**, **Verizon** and **Comcast/Xfinity**—performed across categories pertaining to speed, quality and user experience. Spectrum came out on top for broadband download speed as it averaged 169.2 Mbps. Xfinity followed with 158.2 Mbps, and Verizon and AT&T recorded 142.9 Mbps and 121.5 Mbps, respectively. T-Mobile checked in with 99.9 Mbps. For upload speed, AT&T led the way at 81.4 Mbps. Verizon was the closest competitor at 68.1 Mbps, but there was a big gap between it and Xfinity's 23.3 Mbps. T-Mobile had 22.6 Mbps and Spectrum 14 Mbps. Xfinity swept the broadband consistent quality and video experience categories. OpenSignal tested the quality with users' tests on their network that meet the minimum recommended performance thresholds to watch HD video, and Xfinity topped the chart with a score of 84.3. Verizon and Spectrum were close behind at 83.6 and 82.8, respectively, with T-Mobile following at 75.8 and AT&T at 70.7. Xfinity's video experience score—which was measured by users being able to stream video at 1080p or better with little stalling—was 75, barely edging Spectrum's 74.9 and Verizon's 73.2. T-Mobile and AT&T both had 71.9 in that category.

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OBITUARY

RFD-TV founder *Patrick Gottsch* passed away unexpectedly Saturday at the age of 70. "He was a champion of Rural America, devoting more than half his life to empowering farmers and ranchers, giving them a voice at the table. We are grateful for his leadership and innovation," [said](#) RFD parent company **Rural Media Group**, of which he served as president. Rural Media Group includes RFD-TV, **The Cowboy Channel**, **The Cowgirl Channel** and **Rural Radio Channel 147**. A private service is being held for family and close friends. In lieu of flowers, the family asks that donations be made in his name to the National FFA Foundation. Cards may be sent to Rural Media Group, Inc., Attn: Patrick Gottsch Memorial, 17445 Arbor Street, Suite 100, Omaha, NE 68130, or emails can be sent to videos@rfdtv.com.

Think about that for a minute...

Desperation

Commentary by Steve Effros

The Greek physician Hippocrates is credited with the original saying that “desperate times call for desperate measures.” He was, apparently, talking about critical medical situations which called for what would normally be considered extreme measures to try to resolve them. We have vastly expanded that concept today.

In some ways that aphorism seems very fit in today’s world. No, I’m not talking about politics here, I’m talking about media. There’s a growing awareness that the media landscape is changing so rapidly that no one is really sure either where it’s going or what formats of information production and distribution will survive. All you have to do is read the local newspaper to know its owners are fearful they will not be one. The same is true for local news and journalism in general.

But it goes a lot farther than that, and the fear that some new competitor or technology is going to “wipe out” the older one is a common thread. Television would kill radio. Cable would kill television. Broadband is killing cable despite the fact that the “cord” was never really cut, it just is delivering information, be it news or sports or entertainment in a different way. And, of course, neither radio nor television has yet ceased to exist.

Is that benign view of telecommunications progression still valid? Well, that’s not so clear. As I noted in last week’s column, there are some new things happening that portend major changes. The problem is we have no idea what the endpoint of those changes will be. In the meantime, however, there is a growing sense of trepidation that whatever the changes are, they’re going to have a major impact on how we use, create and finance media. That’s got a lot of folks fearful and doing things that look to me like they are both desperate, and possibly counterproductive.

All you have to do is look at what’s popping up on your screen, be it a tablet, computer, phone or laptop when you “click” on a site you have been referred to by your search engine. To be sure, the site comes up. But so do multiple overlays. They

run the gamut, depending on the business plan, from pleas to subscribe because without that, the site will no longer be able to exist, to warnings that this is the “last article” you can read from this source before you have to subscribe.

And then there are the ads. They pop up all over the place, covering the information you are trying to read with the little “x” to close them hidden off the screen (you have to move the popup in order to delete it) or placed in a totally nontraditional position so you have to hunt for it. And even after you have “closed” the pop up, it comes back a little later! The message is clear; the website owners are getting desperate. Whatever their original business plan was, it’s not working, and they need to figure out a new way to finance what they do in this new media world or they’ll be gone. Their current “solutions” may just speed their demise.

And then along comes AI. The “search engines” which generate much of the critical traffic to all those other media production sites are now planning to essentially commoditize the information they were originally referring you to, and packaging it themselves. But that, as I suggested, could threaten the very foundation of the current internet search system as we know it.

Hippocrates was right. When things appear desperate it may be time to take a deep breath and consider radical alternatives, like allowing this flawed current model to implode and revert back to a more balanced approach between production and distribution. Desperate? Sure. But it worked before. Think about that.



Steve

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(Steve Effros was President of CATA for 23 years and is now an advisor and consultant to the cable industry. His views do not necessarily reflect the views of Cablefax.)

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